

Message Text

UNCLASSIFIED

PAGE 01 STOCKH 05079 01 OF 02 011535Z

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08

EA-12 FRB-01 INR-07 IO-14 NEA-10 NSAE-00 USIA-15

OPIC-06 SP-02 TRSE-00 LAB-04 SIL-01 AGRE-00

OMB-01 SS-15 STR-05 XMB-04 /124 W

-----020695 011606Z /50

R 011312Z DEC 77

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC 2439

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY OSLO

AMEMBASSY PARIS

AMEMBASSY REYKJAVIK

UNCLAS SECTION 1 OF 2 STOCKHOLM 5079

USEEC

USOECD

E.O. 11652: N/A

TAGS: EFIN, ELAB, ETRD, OECD, SW

SUBJECT: ECONOMIC INDICATORS ON SMALLER OECD COUNTRIES: SWEDEN

REF: (A) STOCKHOLM 4571, (B) STOCKHOLM 4522 (NOTAL)

1. FOLLOWING ARE ECONOMIC INDICATORS ON SWEDEN AVAILABLE
NOVEMBER 25 TO UPDATE REFTEL A. FORECASTS ARE THOSE PUB-
LISHED BY THE NATIONAL ECONOMIC RESEARCH INSTITUTE (ERI) IN
MID-OCTOBER.

2. PRODUCTION:

1976-1977 1977 1977-1978

PERCENTAGE MILLION PERCENTAGE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STOCKH 05079 01 OF 02 011535Z

CHANGE KRONOR CHANGE
(VOLUME) CURRENT (VOLUME)

SUPPLY PRICES

GDP -2.3 350,084 1.0

IMPORTS 1 -1.1 105,677 1.1

TOTAL SUPPLY -2.0 455,761 1.0

DEMAND

GROSS INVESTMENT	-2.2	72,487	-1.7
OF WHICH: PRIVATE ²	-3.5	33,534	-7.3
CENTRAL GOVT ²	-3.3	11,051	0.5
MUNICIPAL ²	10.1	14,657	5.0
HOUSING	-9.5	13,245	2.9
INVENTORY INVESTMENT	-2.5 (3)	-1,300	-0.6 (3)
PRIVATE CONSUMPTION	-0.3	190,564	-0.3
PUBLIC CONSUMPTION	3.0	98,532	4.2
EXPORTS ¹	-0.5	95,478	4.7
TOTAL DEMAND	-2.0	455,761	1.0

SOURCE: NATIONAL ECONOMIC RESEARCH INSTITUTE, OCTOBER 1977

1-INCLUDING SERVICES.

2- EXCLUDING HOUSING.

3- AS A PERCENTAGE OF FOREGOING YEAR'S GDP.

INDUSTRIAL PRODUCTION INDEX AUG 77 SEP 77

(1968 BASE) 124 133

THE ERI FORECASTS A DECLINE IN INDUSTRIAL PRODUCTION OF 5.1 PERCENT IN 1977 AND OF 0.1 PERCENT IN 1978.

3. DEMAND: MILLION KRONOR PERCENTAGE CHANGE

1968 PRICES

1976	1977	75/76	76/77	77/78
------	------	-------	-------	-------

(FORECAST) FORECASTS

DISPOSABLE INCOME	107,097	107,406	3.1	0.3	10.5
-------------------	---------	---------	-----	-----	------

RETAIL SALES-NO NEW FIGURES

(1970 BASE)

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STOCKH 05079 01 OF 02 011535Z

OCT 76	NOV 76	OCT 77	NOV 77
--------	--------	--------	--------

TRANSPORTATION	113	112	104	104
----------------	-----	-----	-----	-----

(1970 BASE)

HOUSING CONSTRUCTION

STARTS: AUG 76 SEP 76 AUG 77 SEP 77

MULTIFAMILY	1,000	1,300	1,200	1,700
-------------	-------	-------	-------	-------

SINGLE-FAMILY	4,000	3,900	3,300	3,600
---------------	-------	-------	-------	-------

THE ERI ESTIMATES THAT THE VOLUME OF TOTAL HOUSING CONSTRUCTION IN 1978 WILL BE 3 PERCENT GREATER THAN IN 1977.

4. PRICE INDICES:

SEP 76	OCT 76	SEP 77	OCT 77
--------	--------	--------	--------

CONSUMER PRICES

(1949 BASE)	386	392	438	440
-------------	-----	-----	-----	-----

FOOD PRICES

(1949 BASE)	486	487	570	570
-------------	-----	-----	-----	-----

PRODUCER PRICES

(1968 BASE)	197	197	212	212
-------------	-----	-----	-----	-----

EXPORT PRICES

(1968 BASE)	205	205	216	215
-------------	-----	-----	-----	-----

IMPORT PRICES

(1968 BASE)	211	211	244	246
-------------	-----	-----	-----	-----

THE GENERAL PRICE FREEZE INTRODUCED IN CONJUNCTION WITH
THE DEVALUATION OF AUGUST 26 WAS LIFTED, AS PLANNED, ON
NOVEMBER 1. THE ERI SETS THE AVERAGE INCREASE IN THE
GENERAL CONSUMER PRICE LEVEL AT 13.5 PERCENT FOR 1977
AND 8.0 PERCENT FOR 1978.

5. FINANCIAL:

SEP 76 OCT 76 SEP 77 OCT 77
MONEY SUPPLY (M3) 188.0 186.0 198.3 198.3
LONG-TERM INTEREST OCT 76 NOV 76 OCT 77 NOV 77
RATE, INDUSTRIAL
BONDS AT MID-MONTH 9.76 9.79 9.77 9.80
(PERCENTAGE)
CENTRAL BANK DISCOUNT RATE - STILL EIGHT PERCENT.
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STOCKH 05079 01 OF 02 011535Z

6. CENTRAL GOVERNMENT (ALL FIGURES IN MILLIONS OF KRONOR):

OCT 76 OCT 77
FEDERAL BUDGET OUTCOME
(DEFICIT: -) -2,076 -522
END OCT 76 END OCT 77
NATIONAL DEBT 74,300 88,790
OF WHICH:
EXTERNAL PUBLIC DEBT 218 6,945

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 STOCKH 05079 02 OF 02 011553Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08
EA-12 FRB-01 INR-07 IO-14 NEA-10 NSAE-00 USIA-15
OPIC-06 SP-02 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 SS-15 STR-05 XMB-04 /124 W
-----020880 011605Z /50

R 011312Z NOV 77
FM AMEMBASSY STOCKHOLM
TO SECSTATE WASHDC 2440
INFO AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY HELSINKI

AMEMBASSY OSLO
 AMEMBASSY PARIS
 AMEMBASSY REYKJAVIK

UNCLAS SECTION 2 OF 2 STOCKHOLM 5079

USEEC

USOEC

7. LABOR MARKET:

SEPT 77 OCT 77

TOTAL EMPLOYMENT 4,094 4,087

(THOUSANDS)

UNEMPLOYMENT 83,000 88,000

LABOR COSTS END MAY 77 END AUG 77

(1967 BASE) 342.6 344.4

THE ABOVE LABOR COST INDICES DO NOT INCLUDE 1977 WAGE ADJUSTMENTS.

THE OCTOBER REPORT OF THE ERI CALCULATES ON A 10 PERCENT RISE

IN LABOR COSTS PER HOUR BETWEEN 1977 AND 1978.

8. BALANCE OF PAYMENTS (MILLIONS OF KRONOR, CURRENT PRICES):

CY 1976 Q.1 1977 Q.2 1977

EXPORTS (CORRECTED) 79,572 20,078 21,424

IMPORTS (CORRECTED) 83,461 22,217 21,960

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STOCKH 05079 02 OF 02 011553Z

TRADE BALANCE -3,889 -2,139 -536

NET SERVICES -3,378 -1,718 -1,532

TRANSFERS -3,259 -831 -865

CURRENT ACCOUNT BALANCE -10,526 -4,688 -2,933

INVESTMENTS -2,449 -355 -882

LONG-TERM LOANS 1 7,177 2,940 6,132

OTHER -1,387 139 77

CAPITAL BALANCE 3,341 2,724 5,327

SOURCE: CENTRAL BANK OF SWEDEN, OCTOBER 1977

1/ SUM OF NET BORROWING AND NET LENDING.

THE 1977 DEFICIT ON CURRENT ACCOUNT IS ESTIMATED BY ERI TO

RUN TO SKR 16.5 BILLION AND IN 1978 TO 18.3 BILLION

SEP OCT JAN-SEP JAN-OCT

EXPORTS (FOB) 7,385 7,800 60,477 68,300

IMPORTS (CIF) 7,676 8,100 65,519 73,900

TRADE BALANCE -291 -300 -5,042 -5,600

SOURCE: CENTRAL BUREAU OF STATISTICS.

1976 1977

SEP OCT SEP OCT

FOREIGN EXCHANGE 12,210 10,761 15,838 16,296

RESERVES

THE AVERAGE EXCHANGE RATE OF THE DOLLAR AGAINST THE KRONA

IN OCTOBER 1977 WAS: US \$1.00 EQUALS SKR 4.789

AVERAGE OF THE PERIOD JANUARY THROUGH NOVEMBER 25 WAS:

US \$1.00 EQUALS SKR 4.45.

KENNEDY-MINOTT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ESTIMATES
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STOCKH05079
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770445-1019
Format: TEL
From: STOCKHOLM USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197712103/aaaadjqq.tel
Line Count: 226
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9ae7cefb-c188-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STOCKHOLM 4571, 77 STOCKHOLM 4522
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 109665
Secure: OPEN
Status: NATIVE
Subject: ECONOMIC INDICATORS ON SMALLER OECD COUNTRIES: SWEDEN
TAGS: EFIN, ELAB, ETRD, SW, OECD
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/9ae7cefb-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009